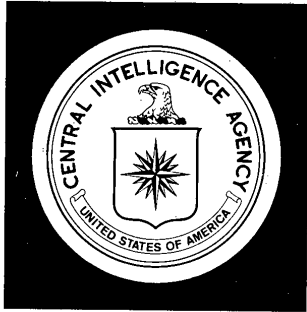




The President's Daily Brief

12 December 1972



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THE PRESIDENT'S DAILY BRIEF .

12 December 1972

PRINCIPAL DEVELOPMENTS

South Vietnam

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Egypt's normally docile legislature has sharply criticized Prime Minister Sidqi, and reports abound that a new "war cabinet" will be formed. (*Page 2*)

Peking has been emphasizing that it endorses current Japanese defense arrangements--a reversal of its former condemnation of Japanese "remilitarization." (*Page 3*)

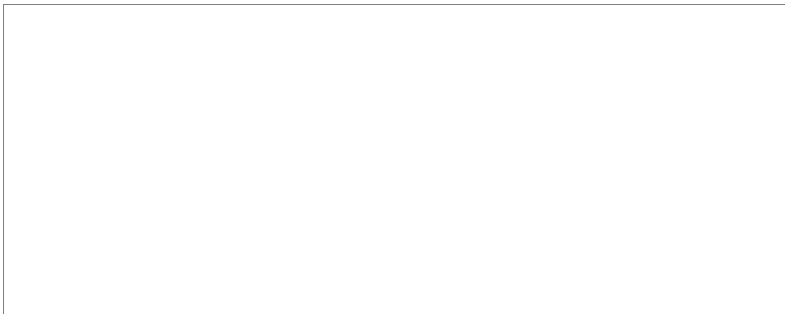
On *Page 4* we analyze the significance of the shifts in party strength in the Japanese elections.

Thailand's military rulers plan a formal return to constitutional government next week. (*Page 5*)

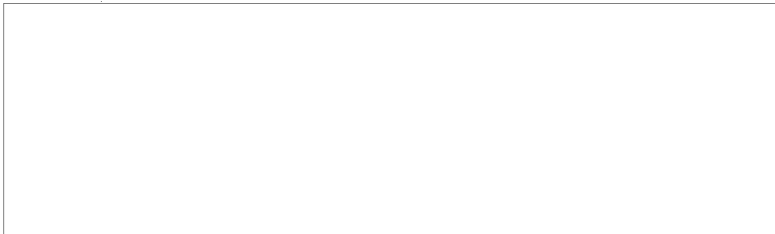
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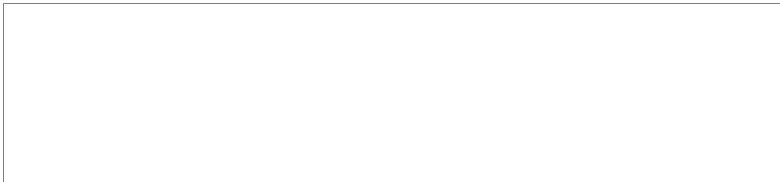
SOUTH VIETNAM



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EGYPT

Last weekend Egypt's normally docile legislature was sharply critical of government policies. The legislature directed its fire primarily at Prime Minister Sidqi, and regarded as "unconvincing" his recent assertion that the government had completed plans for preparing Egypt for war.

The virtually unprecedented legislative attack on the prime minister seems to be indirectly aimed at President Sadat, who is far more responsible for the government's policies than Sidqi. The full accounts of the criticism published in the government-controlled press nevertheless could be intended by Sadat to pave the way for dumping the unpopular Sidqi. Reports that a "war cabinet" will soon be formed have been circulating in Cairo for the past two weeks.

These reports parallel a recent upsurge in public and private talk about the need to resort to the "war option," however futile that may be.

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Most influential Egyptians apparently believe that circumstances are not ripe for such action. The leaders in Cairo nevertheless may hope that the talk will stir new diplomatic efforts to end the Middle East deadlock, as well as divert attention from Egypt's domestic ills.

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CHINA-JAPAN

Peking's decision to invite Prime Minister Tanaka to China should be viewed as an open and official endorsement of Japanese defense arrangements as they now exist, according to Liao Cheng-chih, China's senior official on Sino-Japanese affairs. He told a Japanese newspaperman that the Japan-US Mutual Security Treaty and Japan's Self-Defense Force are "essential for the preservation of peace and security in the Far East." He added that the United States is reducing its presence in Asia and that Moscow constitutes the major threat to Asian stability.

This line follows that used by other Chinese officials, including Premier Chou En-lai, in recent weeks. The Chinese have also told visitors that the US military presence elsewhere in Asia--in Thailand and the Philippines, for example--does not trouble Peking.

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This relaxed attitude toward Japan's defense arrangements is a reversal of China's former position. Until last year, Peking's propaganda attacked Japan's "remilitarization" and railed against the US military presence in Japan. The Chinese now appear to be saying that, with the Indochina war drawing to a close, the United States and China have some mutuality of interest in the Far Eastern power balance.

Japan's 1972-1969 General Elections for the House of Representatives

	December 1972	December 1969
Liberal Democratic Party	271	288
Japan Socialist Party	118	90
Japan Communist Party	38	14
Komeito	29	47
Democratic Socialist Party	19	31
Minor Parties	2	0
Independents	14*	16
Total	491**	486

* Some dozen of the independents are expected to affiliate with the Liberal Democrats.

** The House of Representatives was expanded to 491 members in 1970 with the addition of members from Okinawa.

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JAPAN

The Liberal Democratic Party retained a solid but reduced parliamentary majority in the elections on 10 December.

Major gains by the Communists and Socialists, however, reflect both voter dissatisfaction over the government's handling of domestic affairs and the erosion of the Liberal Democrats' rural base by rapid urbanization. The enlarged Communist and Socialist representation, combined with losses by the relatively moderate Komeito and Democratic Socialists, tends to polarize the Diet.



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Tanaka's new cabinet, to be formed at the end of the month, is not expected to make major changes in national policy. It is likely to include younger and more dynamic politicians, however, and these may be able to give the Liberal Democrats a more attractive image.

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THAILAND

Several senior officials have informed US Embassy officers that the ruling National Executive Council expects to terminate its existence on 21 December and return to constitutional government.

The new constitutional framework will not significantly diminish the military's political control. The cabinet will incorporate much of the present council leadership, and civilian participation is likely to be minimal.

Ruling military leaders, who abolished parliament and took over the government in November 1971, have been promising a constitution for about eight months. Delay is attributed to disagreement over distribution of positions in the new structure and to the reluctance of the second-ranking Thai leader, General Pra-phat, to relinquish the powers available under martial law. Having strengthened his personal position during the past year, however, he apparently feels he can afford a resumption of constitutional government.

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NOTES

USSR-China: We are skeptical of Western press reports from Moscow of a clash on the Kazakhstan-Sinkiang border last month.

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Moscow has usually been quick to publicize its case in disputes with China. In this instance, however, a Soviet Foreign Ministry spokesman has simply disclaimed any knowledge of the alleged clash. The Chinese have also denied the story.

Panama: Foreign Minister Tack has told US officials that under no condition will Panama back away from its efforts to have the UN Security Council meet in Panama in March. He stated that the meeting has nothing to do with the stalled treaty negotiations and that the US would not be harassed. Despite these assurances, any adverse developments in the treaty talks or in other bilateral Panamanian-US issues could easily cause General Torrijos to use the meeting to embarrass the US.

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